



## NEWS RELEASE



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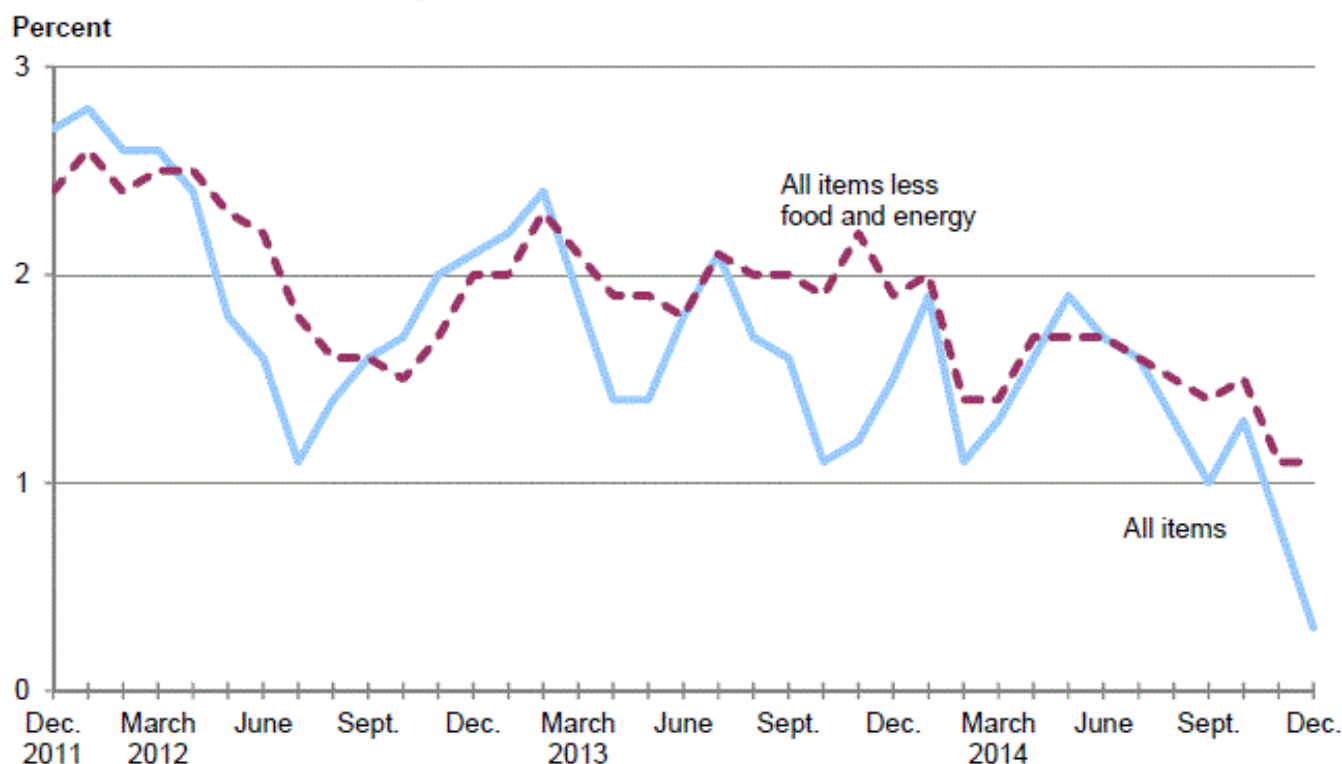
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### **Consumer Price Index, New York-Northern New Jersey – December 2014** **Area prices down 0.5 percent over the month and up 0.3 percent over the year**

Prices in the New York-Northern New Jersey-Long Island area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), decreased 0.5 percent in December after declines of 0.4 percent in November and 0.2 percent in October, the U.S. Bureau of Labor Statistics reported today. Chief Regional Economist Martin Kohli attributed the December decrease to falling energy prices. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the year, the CPI-U increased 0.3 percent. (See [chart 1](#) and [table A](#).) The 12-month percent change in December was the smallest rate of increase since October 2009. The all items less food and energy index rose 1.1 percent. (See [table 1](#).)

**Chart 1. Over-the-year percent change in CPI-U, New York-Northern New Jersey-Long Island, December 2011–December 2014**



Source: U.S. Bureau of Labor Statistics.

### Food

After no change in October and November, the food index rose 0.5 percent in December, due to higher prices for food at home. Groceries jumped 0.8 percent, with eggs, tomatoes, and sugar and sweeteners among the items with price increases. In contrast, prices for food away from home were unchanged.

For the year ending in December, the food index advanced 3.5 percent, reflecting increases of 3.7 percent for at-home food and 3.2 percent for away-from-home food.

### Energy

The energy index fell 4.3 percent, marking the sixth consecutive one-month decline. The last time the index was down for six successive months was for the period ending in January 2009. Gasoline prices dropped 8.5 percent in December, the largest decline recorded in six years. Prices for household energy also decreased, with price reductions for electricity (-2.0 percent) and for fuel oil outweighing a 5.5-percent jump in natural gas charges.

From December 2013 to December 2014, the energy index dropped 12.9 percent, the largest 12-month decline since September 2009. Prices for gasoline fell 21.1 percent, and prices for household energy were down 5.8 percent, with declines in natural gas (-9.1 percent) and in electricity (-1.3 percent).

### All items less food and energy

The index for all items less food and energy decreased 0.3 percent, after edging down 0.2 percent in November. Not uncommon for this time of year, apparel prices declined, falling 4.9 percent. Lower prices were also reported for household furnishings and operations (-0.6 percent) and for used cars and trucks. In contrast, prices for recreation, education and communication, and other goods and services were unchanged. Shelter prices inched up 0.1 percent, as did residential and owners' equivalent rent. Medical care prices, on the other hand, advanced 0.5 percent.

Over the year, the index for all items less food and energy increased 1.1 percent, due primarily to higher prices for shelter (2.1 percent). Within shelter, residential rent rose 2.9 percent. Medical care prices increased 3.6 percent. These increases were tempered by declines in a number of items, including apparel (-1.2 percent) and household furnishings and operations (-2.6 percent).

**Table A. New York-Northern New Jersey-Long Island CPI-U 1-month and 12-month percent changes (not seasonally adjusted)**

Month	2009		2010		2011		2012		2013		2014	
	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
January.....	0.2	1.5	0.2	2.4	0.3	1.5	0.4	2.8	0.5	2.2	0.9	1.9
February.....	0.5	1.6	0.0	1.8	0.5	2.1	0.4	2.6	0.6	2.4	-0.2	1.1
March.....	0.2	0.8	0.5	2.1	0.7	2.3	0.6	2.6	0.1	1.9	0.4	1.3
April.....	0.2	0.8	0.2	2.1	0.4	2.5	0.2	2.4	-0.2	1.4	0.0	1.6
May.....	0.2	-0.1	0.2	2.2	0.6	2.9	0.1	1.8	0.1	1.4	0.5	1.9
June.....	0.5	-0.6	-0.1	1.5	0.2	3.2	-0.1	1.6	0.3	1.8	0.0	1.7
July.....	0.2	-1.1	0.1	1.5	0.3	3.3	-0.2	1.1	0.2	2.1	0.1	1.6
August.....	0.3	-0.9	0.2	1.4	0.4	3.5	0.6	1.4	0.1	1.7	-0.2	1.3
September.....	0.1	-0.6	0.0	1.2	0.2	3.8	0.4	1.6	0.3	1.6	0.0	1.0
October.....	-0.1	0.0	0.2	1.5	-0.2	3.3	-0.1	1.7	-0.6	1.1	-0.2	1.3
November.....	0.2	1.8	0.0	1.3	-0.3	3.0	0.0	2.0	0.1	1.2	-0.4	0.8
December.....	-0.1	2.3	0.0	1.4	-0.4	2.7	-0.3	2.1	0.0	1.5	-0.5	0.3

### CPI-W

In December, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 253.224, down 0.6 percent over the month. The CPI-W increased 0.1 percent over the year.

**The January 2015 Consumer Price Index for New York-Northern New Jersey-Long Island is scheduled to be released Thursday, February 26, 2015, at 8:30 a.m. (ET).**

### Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments—department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at [www.bls.gov/cpi](http://www.bls.gov/cpi) and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at [www.bls.gov/opub/hom/homch17\\_a.htm](http://www.bls.gov/opub/hom/homch17_a.htm).

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar.

**NOTE:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The New York-Northern New Jersey-Long Island, N.Y.-N.J.-Conn.-Pa. consolidated area covered in this release is comprised of Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, and Westchester Counties in New York State; Bergen, Essex, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union, and Warren Counties in New Jersey; Fairfield County and parts of Litchfield, Middlesex, and New Haven Counties in Connecticut; and Pike County in Pennsylvania.

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**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, New York-Northern N.J.-Long Island, NY-NJ-CT-PA (1982-84=100 unless otherwise noted)(not seasonally adjusted)**

Item and Group	Indexes			Percent change from-		
	Oct. 2014	Nov. 2014	Dec. 2014	Dec. 2013	Oct. 2014	Nov. 2014
<b>Expenditure category</b>						
All items .....	260.500	259.382	258.080	0.3	-0.9	-0.5
All items (1967=100).....	753.070	749.838	746.075			
Food and beverages.....	253.453	253.418	254.535	3.3	0.4	0.4
Food .....	253.487	253.417	254.599	3.5	0.4	0.5
Food at home .....	252.442	252.159	254.284	3.7	0.7	0.8
Food away from home.....	261.635	261.856	261.767	3.2	0.1	0.0
Alcoholic beverages .....	248.525	249.033	249.137	0.3	0.2	0.0
Housing.....	276.521	275.897	275.669	1.0	-0.3	-0.1
Shelter.....	343.159	343.026	343.223	2.1	0.0	0.1
Rent of primary residence <sup>(1)</sup> .....	351.398	352.808	353.288	2.9	0.5	0.1
Owners' equivalent rent of residences <sup>(1) (2)</sup> .....	349.041	350.049	350.289	1.8	0.4	0.1
Owners' equivalent rent of primary residence <sup>(1) (2)</sup> .....	348.765	349.743	349.995	1.7	0.4	0.1
Fuels and utilities .....	193.417	191.727	190.016	-4.7	-1.8	-0.9
Household energy .....	187.571	185.559	183.641	-5.8	-2.1	-1.0
Energy services <sup>(1)</sup> .....	173.031	171.794	171.750	-3.5	-0.7	0.0
Electricity <sup>(1)</sup> .....	184.266	187.631	183.943	-1.3	-0.2	-2.0
Utility (piped) gas service <sup>(1)</sup> .....	145.184	134.524	141.971	-9.1	-2.2	5.5
Household furnishings and operations.....	117.424	115.623	114.892	-2.6	-2.2	-0.6
<b>Apparel</b>	130.467	126.286	120.119	-1.2	-7.9	-4.9
Transportation.....	226.369	222.948	216.635	-5.9	-4.3	-2.8
Private transportation .....	213.336	208.740	204.095	-6.0	-4.3	-2.2
Motor fuel .....	258.223	239.271	218.993	-21.1	-15.2	-8.5
Gasoline (all types).....	257.047	238.151	217.925	-21.1	-15.2	-8.5
Gasoline, unleaded regular <sup>(3)</sup> .....	257.108	237.446	216.742	-22.1	-15.7	-8.7
Gasoline, unleaded midgrade <sup>(3) (4)</sup> .....	264.991	249.065	229.577	-17.7	-13.4	-7.8
Gasoline, unleaded premium <sup>(3)</sup> .....	261.677	246.439	228.559	-16.9	-12.7	-7.3
<b>Medical care</b>	438.668	440.672	442.695	3.6	0.9	0.5
<b>Recreation <sup>(5)</sup></b>	118.510	118.503	118.468	-0.3	0.0	0.0
<b>Education and communication <sup>(5)</sup></b>	140.861	140.752	140.791	0.0	0.0	0.0

Note: See footnotes at end of table.

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, New York-Northern N.J.-Long Island, NY-NJ-CT-PA (1982-84=100 unless otherwise noted)(not seasonally adjusted) - Continued**

Item and Group	Indexes			Percent change from-		
	Oct. 2014	Nov. 2014	Dec. 2014	Dec. 2013	Oct. 2014	Nov. 2014
<b>Other goods and services</b>	400.706	398.221	398.052	0.6	-0.7	0.0
<b>Commodity and service group</b>						
All items .....	260.500	259.382	258.080	0.3	-0.9	-0.5
Commodities .....	193.919	191.224	188.449	-1.9	-2.8	-1.5
Commodities less food and beverages .....	155.578	151.738	147.231	-5.8	-5.4	-3.0
Nondurables less food and beverages .....	199.053	192.413	184.530	-7.5	-7.3	-4.1
Durables .....	100.477	99.800	99.096	-2.4	-1.4	-0.7
Services .....	317.547	317.657	317.498	1.4	0.0	-0.1
<b>Special aggregate indexes</b>						
All items less medical care .....	252.688	251.455	250.030	0.1	-1.1	-0.6
All items less shelter .....	228.131	226.583	224.630	-0.8	-1.5	-0.9
Commodities less food .....	159.356	155.616	151.212	-5.5	-5.1	-2.8
Nondurables .....	228.415	224.875	221.233	-1.8	-3.1	-1.6
Nondurables less food .....	202.357	196.078	188.599	-6.9	-6.8	-3.8
Services less rent of shelter <sup>(2)</sup> .....	300.400	300.801	300.214	0.4	-0.1	-0.2
Services less medical care services .....	307.867	307.885	307.607	1.2	-0.1	-0.1
Energy .....	217.168	208.657	199.698	-12.9	-8.0	-4.3
All items less energy .....	266.548	266.127	265.547	1.4	-0.4	-0.2
All items less food and energy .....	270.634	270.148	269.246	1.1	-0.5	-0.3

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

<sup>(2)</sup> Index is on a December 1982=100 base.

<sup>(3)</sup> Special index based on a substantially smaller sample.

<sup>(4)</sup> Indexes on a December 1993=100 base.

<sup>(5)</sup> Indexes on a December 1997=100 base.

Note: Index applies to a month as a whole, not to any specific date.

The New York-Northern New Jersey-Long Island, NY-NJ-CT-PA consolidated area comprises the five boroughs of New York City, Nassau, Suffolk, Westchester, Rockland, Putnam, Dutchess, and Orange Counties in New York State; Bergen, Essex, Hudson, Hunterdon, Mercer, Monmouth, Middlesex, Morris, Ocean, Passaic, Somerset, Sussex, Union, and Warren Counties in New Jersey; Fairfield County and parts of Litchfield, New Haven, and Middlesex Counties in Connecticut; and Pike County in Pennsylvania.